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March 4, 2009

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Planning and Zoning, Code Enforce City of West Bountiful 550 N 800 W West Bountiful, UT 84087-1320

Kern River Gas Transmission Company - New Pipeline Project

Kern River Gas Transmission Company is proposing the Apex Expansion Project, a new 28-mile, 36-inch diameter natural gas pipeline through the Wasatch Mountains and Morgan, Davis and Salt Lake counties. The proposed project also includes construction of a new compressor station near Milford, Utah; and modifications to existing compressor stations in southwest Wyoming; Elberta and Fillmore, Utah; and northeast of Las Vegas, Nevada. The proposed project will increase capacity on Kern River's pipeline system to meet growing market demand and will enhance service reliability for all Kern River customers, including local natural gas distributors who serve local consumers and end users who generate electrical power in the area.

The project is in the planning stages, and preferred and alternative pipeline routes have been identified. You are invited to attend an open house for the proposed project because constituents you represent may own property near the preferred or alternative pipeline routes. Kern River is notifying impacted landowners at this time, so you may begin receiving calls about the proposed project. Please call us if you would like to meet to discuss the project in more depth or share any concerns you may hear from your constituents prior to the open houses. Kern River is committed to communicating and working with you and other interested parties during the final route selection process.

The open houses will be held from 5 p.m. to 8 p.m. at the following locations:

Bountiful Tuesday, March 24 Hannah Holbrook Elementary School 1018 East 250 North

North Salt Lake Wednesday, March 25 Eaglewood Golf Course 1110 East Eaglewood Drive Bountiful Thursday, March 26 Hannah Holbrook Elementary School 1018 East 250 North

The open houses will be informal. You may come during the designated time to view maps and displays, obtain information, meet with project staff and provide input. The open houses will provide an opportunity for you to meet with project representatives during the planning phase, before the project application is filed with the Federal Energy Regulatory Commission (FERC). This time period is known as the pre-filing process. Kern River submitted a request to the FERC to begin pre-filing activities on February 27, 2009.

The pre-filing process will provide multiple opportunities for you to learn about the project and provide input, beginning with the open houses. In the coming months, the FERC will also conduct formal public meetings to accept comments from interested parties. You will receive a separate invitation from the FERC to attend those meetings. The project requires FERC approval before construction can begin.

The FERC has prepared an informational document for the public entitled "An Interstate Natural Gas Facility on My Land – What Do I Need to Know?" The document contains helpful information about procedures, landowner rights, regulatory decision-making, safety and environmental issues. For more information, visit their Web site at www.ferc.gov/for-citizens/citizen-guides.asp or call 866-208-3372.

Enclosed is a project fact sheet which includes a map and additional project background information. For more information on the project, go to Kern River's Web site at www.kernrivergas.com and click on the Expansion Projects tab, or call 888-222-1897.

Sincerely,

Chris Bias Project Director Apex Expansion Project

Enclosure



The proposed Apex Expansion Project will help meet the growing demand for natural gas by increasing capacity and enhancing service reliability for all customers on Kern River Gas Transmission Company's pipeline system.

Kern River Gas Transmission Company is proposing to construct and operate the Apex Expansion Project, a new 28-mile, 36-inch diameter natural gas pipeline through the Wasatch Mountains and Morgan, Davis and Salt Lake counties of northern Utah. The proposed project also includes construction of a new compressor station near Milford, Utah; and modifications to existing compressor stations in southwest Wyoming; Elberta and Fillmore, Utah; and northeast of Las Vegas, Nevada.

Kern River's existing 1,680-mile pipeline system runs from southwestern Wyoming to Southern California. In 2003, Kern River built a parallel (looped) pipeline along most of its existing mainline. However, a section of the pipeline over the Wasatch Mountains north of Salt Lake City was not looped in 2003. By looping this section, the Apex Expansion Project will increase system capacity to meet growing market demand and enhance service reliability for all Kern River customers.

ROUTE SELECTION

Kern River evaluated a number of factors to identify the preferred and alternative pipeline routes. These factors include: public input, public safety, environmental considerations, land-use compatibility, economics, agriculture, archaeological and cultural resources, and constructability.

REGULATORY

The Federal Energy Regulatory Commission (FERC) is the lead federal agency charged with oversight of interstate natural gas pipeline projects, including the proposed Apex Expansion Project. The FERC will guide and supervise the project's environmental review process in accordance with the National Environmental Policy Act. On February 27, 2009, Kern River submitted a request to the FERC to participate in the pre-filing process. As part of this process, Kern River will solicit and include stakeholder feedback in the project planning phase, before filing the formal application in December 2009.

PUBLIC CONSULTATION

The proposed pipeline crosses both public and private lands. Kern River wants to ensure all stakeholders have opportunities to learn about the Apex Expansion Project and to share their views. Kern River will distribute information, host a Web site, conduct meetings with agencies and sponsor informational open houses. The FERC will also conduct a series of formal public meetings to gather input.

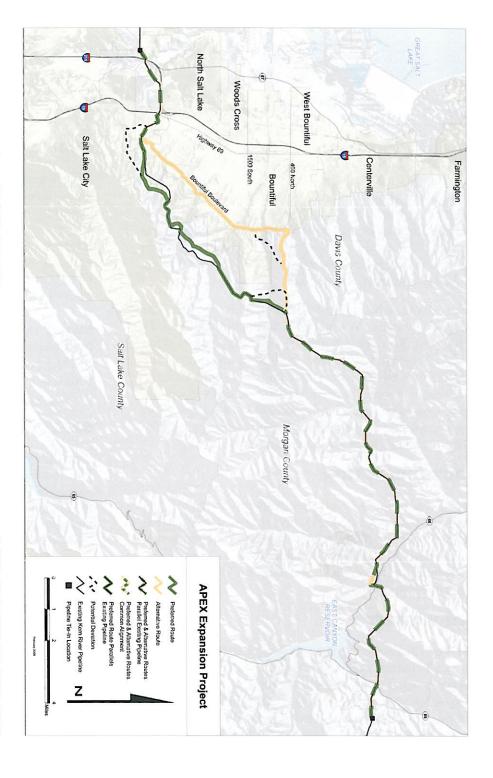
Starting in March 2009, Kern River will work with landowners to gather input and seek permission to conduct civil, wetland and archaeological surveys. After permission has been granted, field work will take place from approximately March to November 2009.

SAFETY AND ENVIRONMENT

Kern River's highest priority is the safety of the public. The company has a history of designing, constructing and operating a safe and reliable pipeline system. The Apex Expansion Project will meet or exceed all applicable federal safety standards. Kern River is committed to protecting the environment while meeting the growing demand for clean-burning natural gas. Kern River strives to minimize impact to the environment and surrounding communities in all of its operations and projects.

COMPANY INFORMATION

Kern River Gas Transmission Company, based in Salt Lake City, is a subsidiary of MidAmerican Energy Holdings Company, a global provider of energy services. MidAmerican provides electric and natural gas service to more than 6.9 million customers worldwide. MidAmerican's business platforms are Pacific Power, Rocky Mountain Power and PacifiCorp Energy, which comprise PacifiCorp; MidAmerican Energy Company; CE Electric UK; Northern Natural Gas Company; Kern River Gas Transmission Company; and CalEnergy. More information is available at www.midamerican.com.



ESTIMATED PROJECT TIMELINE

March 2009

Kern River begins seeking
landowner permission to survey
Open houses
December 2009

Kern River submits FERC
application

Spring-Fall 2011 Pipeline construction
November 2011 Pipeline in-service

December 2010

Anticipated issuance of FERC

CONTACT INFORMATION

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Click on the "Expansion Projects" tab

